

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:

The Financial Oversight and Management Board
for Puerto Rico,

as representative of

The Commonwealth of Puerto Rico, et al.

Debtors.¹

PROMESA
Title III

No. 17 BK 3283-LTS

(Jointly Administered)

**STIPULATION AND AGREED ORDER REGARDING
WITHDRAWAL OF PROOF OF CLAIM OF
U.S. BANK NATIONAL ASSOCIATION (CLAIM NO. 32565)**

The Commonwealth of Puerto Rico (the “Title III Debtor”), by and through the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”) pursuant to section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”)², on the one hand, and U.S. Bank National Association solely in its capacity as trustee pursuant to the Trust Agreement dated January 1, 1974 (the “Trustee” or “U.S. Bank”), by and between the Puerto Rico Electric Power Authority, as issuer, and First National City Bank, as the original

¹ The Debtors in these Title III cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (iv) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17-BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

² PROMESA is codified at 48 U.S.C. §§ 2101-2241.

trustee (the “Trust Agreement”), on the other hand, hereby enter into this stipulation (the “Stipulation”) as follows:

RECITALS

A. On May 3, 2017, the Oversight Board issued a restructuring certification pursuant to PROMESA sections 104(j) and 206 and filed a voluntary petition for relief for the Commonwealth of Puerto Rico (the “Commonwealth”) pursuant to PROMESA section 304(a), commencing a case under Title III thereof (the “Commonwealth Title III Case”).

B. Pursuant to PROMESA section 315(b), the Oversight Board is the representative of the Commonwealth as the debtor in the Commonwealth Title III Case.

C. The Court has subject matter jurisdiction over this matter pursuant to PROMESA section 306(a), and venue is proper in this District pursuant to PROMESA section 307(a).

D. On February 15, 2018 and on May 25, 2018, this Court entered the *Order (A) Establishing Deadlines and Procedures for Filing Proofs of Claim and (B) Approving Form and Manner of Notice Thereof* on February 15, 2018 [Case No. 17-3283, ECF No. 2521], and the *Order (A) Extending Deadlines for Filing Proofs of Claim and (B) Approving Form and Manner of Notice Thereof* [Case No. 17-3283, ECF No. 3160] (together, the “Bar Date Orders”), pursuant to which, among other things, this Court directed that creditors file proofs of claim in the Commonwealth Title III Case by the dates set forth in the Bar Date Orders.

E. On May 23, 2018, the Trustee filed Proof of Claim No. 32565 (the “Claim”) pursuant to the Bar Date Orders, asserting claims against the Commonwealth relating to power revenue bonds and power revenue refunding bonds issued and outstanding under the Trust Agreement, as the case may be, including, without limitation, for amounts arising from any

liabilities, losses, and obligations allegedly owed under the Trust Agreement and Commonwealth law.

F. On June 6, 2019, the Oversight Board filed the *Forty-Seventh Omnibus Objection (Non-Substantive) of the Commonwealth of Puerto Rico, Puerto Rico Highways and Transportation Authority and Employees Retirement System of the Government of the Commonwealth of Puerto Rico to Exact Duplicate Claims* (the “Forty-Seventh Omnibus Objection”) [Case Nos. 17-3283, ECF No. 7274]. The Forty-Seventh Omnibus Objection identified the Claim as an exact duplicate to Proof of Claim No. 50049 (the “Remaining Claim”).

NOW, THEREFORE, in consideration of the foregoing, the parties hereby agree as follows:

AGREEMENT

1. The Claim is hereby withdrawn in its entirety as against the Commonwealth, and the Title III Debtors’ claims and noticing agent, Prime Clerk, LLC, and the Clerk of the Court are authorized and directed to update the Commonwealth claims register maintained in the Commonwealth Title III Case to reflect the withdrawal of the Claim.

2. The withdrawal of the Claim, on the terms set forth herein, is without prejudice to any and all rights, claims and actions of the Trustee and bondholders holding or insuring bonds under the Trust Agreement, pursuant to the Remaining Claim. The rights of the Commonwealth and the Oversight Board to object to the Remaining Claim on any ground whatsoever shall not be prejudiced or limited by this Stipulation.

3. The parties hereto represent and warrant that they are duly authorized to enter into and be bound by this Stipulation. Nothing herein shall impair any right, power, or obligation or

be considered a waiver of any such right, power, or obligation the parties hereto have with respect to any valid and existing agreements between the parties hereto, which agreements remain in full force and effect and are not modified hereby.

4. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Stipulation.

STIPULATED AND AGREED TO BY:

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/s/ Martin J. Bienenstock
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*Attorneys for U.S. Bank National
Association, in its Capacity as Trustee under
the Trust Agreement*

SO ORDERED.

DATED: July _____, 2019

HONORABLE LAURA TAYLOR SWAIN
UNITED STATES DISTRICT JUDGE

CERTIFICATE OF SERVICE

I certify that on the date hereof, a true and correct copy of the above and foregoing was served upon all parties via the Court's electronic case filing system (ECF).

/s/ Hermann D. Bauer

Hermann D. Bauer